

PGA

SIGMA GAS CORPORATION

PO Box 22
Salyersville, Kentucky 41465

City of Salyersville
Manager

606-349-1505

December 6, 2005

RECEIVED

DEC 8 2005

Ms. Beth O'Donnell
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602

CASE 2005-00524

PUBLIC SERVICE
COMMISSION

Dear Ms. O'Donnell:

The Sigma Gas Corporation asks for a waiver for the required 30 day notice of a tariff change. We would like to submit our gas cost recovery filing. Because Sigma Gas is under new management we are somewhat unfamiliar with the correct time frame for filing. We apologize for this lack of understanding and intend to correct this in future filings.

Thank you,

Sincerely,



Karen Howard

SIGMA GAS CORPORATION

PO Box 22
Salyersville, Kentucky 41465

City of Salyersville
Manager

606-349-1505

December 6, 2005

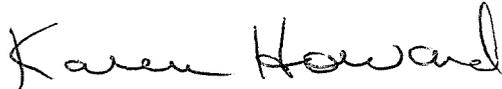
Ms. Beth O'Donnell
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602

Dear Ms. O'Donnell:

Enclosed you will find the Gas Cost Recovery for October 2005 thru December 2005.

If you have any questions please call at the above number.

Sincerely,

A handwritten signature in cursive script that reads "Karen Howard". The signature is written in black ink and is positioned above the printed name.

Karen Howard

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	12.745
+ Refund Adjustment (RA)	\$/Mcf	(.9705)
+ Actual Adjustment (AA)	\$/Mcf	(.0763)
+ Balance Adjustment (BA)	\$/Mcf	
= Gas Cost Recovery Rate (GCR)		11.69
GCR to be effective for service rendered from <u>Jan 06</u>		to <u>March 06</u>

A.	<u>EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	557,655.89
÷	Sales for the 12 months ended _____	Mcf	43,724
=	Expected Gas Cost (EGC)	\$/Mcf	12.745

B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Sch.III)		
+	Previous Quarter Supplier Refund Adjustment	\$/Mcf	Ø
+	Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	
+	Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	
=	Refund Adjustment (RA)	\$/Mcf	

C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	.005
+	Previous Quarter Reported Actual Adjustment	\$/Mcf	(.0863)
+	Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(.4748)
+	Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(.4140)
=	Actual Adjustment (AA)	\$/Mcf	(.9705)

D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	(.0041)
+	Previous Quarter Reported Balance Adjustment	\$/Mcf	(.0075)
+	Second Previous Quarter Reported Balance Adjustment	\$/Mcf	(.0476)
+	Third Previous Quarter Reported Balance Adjustment	\$/Mcf	(.0171)
=	Balance Adjustment (BA)		.0763

SCHEDULE II
EXPECTED GAS COST

Actual * MCF Purchases for 12 months ended <u>Sept. 30th</u>					
(1)	(2)	(3)	(4)	(5)**	(6)
Supplier	Dth	BTU Conversion Factor	Mcf	Rate	(4) X (5) Cost
Jefferson Gas			43,724	12.745	557,655.89

Totals _____ 12.75 557,655.89

Line loss for 12 months ended _____ is _____ % based on purchases of
_____ Mcf and sales of _____ Mcf.

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	
÷ Mcf Purchases (4)	Mcf	
= Average Expected Cost Per Mcf Purchased	\$/Mcf	
x Allowable Mcf Purchases (must not exceed Mcf sales ÷ .95)	Mcf	
= Total Expected Gas Cost (to Schedule IA)	\$	

*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

**Supplier's tariff sheets or notices are attached.

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

NIA

Details for the 3 months ended _____ (reporting period)

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	
+ Interest	\$	
<hr/> = Refund Adjustment including interest	\$	<hr/>
÷ Sales for 12 months ended	Mcf	<hr/>
<hr/> = Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	<hr/>

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 3 month period ended _____ (reporting period) _____

<u>Particulars</u>	<u>Unit</u>	<u>Month 1</u> <u>(July)</u>	<u>Month 2</u> <u>(Aug)</u>	<u>Month 3</u> <u>(Sept)</u>
Total Supply Volumes Purchased	Mcf	616	708	866
Total Cost of Volumes Purchased	\$	5449.75	6263.68	7661.50
÷ Total Sales (may not be less than 95% of supply volumes)	Mcf	609	700	857
= Unit Cost of Gas	\$/Mcf	8.94	8.94	8.94
- EGC in effect for month	\$/Mcf	8.84	8.84	8.84
= Difference [(over-)/Under-Recovery]	\$/Mcf	0.1	0.1	0.1
x Actual sales during month	Mcf	616	708	866
= Monthly cost difference	\$	61.6	70.8	86.6

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	219.00
÷ Sales for 12 months ended	Mcf	43,724
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	.0050

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended _____ (reporting period)

	<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1)	Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	(4902)
	Less: Dollar amount resulting from the AA of .108 \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of 43,724 Mcf during the 12-month period the AA was in effect.	\$	
	Equals: Balance Adjustment for the AA.	\$	4722.19 (179.81)
(2)	Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
	Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect.	\$	
	Equals: Balance Adjustment for the RA	\$	
(3)	Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR	\$	
	Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the BA was in effect.	\$	
	Equals: Balance Adjustment for the BA.	\$	
	Total Balance Adjustment Amount (1) + (2) + (3)	\$	
÷	Sales for 12 months ended _____	Mcf	
=	Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	(179.81) 43,724.00 (.0041)

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City of Salyersville
Manager

606-349-1505

	Base Rate	Gas Cost Recovery	Total
First MCF (Minimum Bill)	6.25	11.69	17.94
All Over First MCF	4.5522	11.69	16.24

Jefferson Gas, LLC
 220 Lexington Green Circle, Suite #130
 Lexington, KY 40503

December 5, 2005

City of Salyersville
 P.O. Box 640
 Salyersville, KY 41465

Estimated Gas Cost Computation per MCF

	Quarter beginning:	12/01/05
	Quarter ending:	02/28/05
Monthly delivery contracts settle price on 1st day of month prior to beginning of quarter:		
Est. NYMEX settle price on November 29, 2005 for gas sold in December 2005	\$	11.736
Est. NYMEX settle price on November 29, 2005 for gas sold in January 2006		11.841
Est. NYMEX settle price on November 29, 2005 for gas sold in February 2006		11.657
Average Est. NYMEX settle price as of November 29, 2005		11.745
Add: transportation charge per mcf		1.000
Estimated gas cost computation per mcf	\$	<u>12.745</u>